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SUBJECT: PROMINENT OPPOSITION SENATOR PREDICTS A CROWDED

FIELD OF ASPIRANTS SEEKING TO SUCCEED BACHELET

REF: SANTIAGO 249

Classified By: E/POL Counselor Juan A. Alsace, for reasons 1.4 (b) and (d).

Summary

- 11. (C) Senator Hernan Larrian of the UDI, the more doctrinaire of Chile's two center-right parties, told the Ambassador that the opposition to the right of the governing Concertacion center-left coalition could field up to four candidates in the 2009 presidential campaign, including two nascent candidacies launched by disgruntled refugees from Concertacion. With Concertacion itself likely to present two candidates (one a Socialist, one a Christian Democrat) and minor parties like the Communists also in the hunt, the race to replace President Bachelet could be crowded and intense. End summary.
- 12. (U) The Ambassador March 13 called on Senator Hernan Larrian, President of the Union Democratica Independiente (UDI), the more "hard-right" of the two parties making up the Alianza center-right opposition (Renovacion Nacional (RN) is the other). Larrain was joined by Senator Evelyn Mattei and Parliamentary Deputy Rodrigo Alvarez, both on UDI's governing board. E/Pol Counselor accompanied the Ambassador.

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13. (SBU) Larrain stressed UDI has had a long and friendly relationship with the Embassy, agreeing on most policy issues, especially during the past eight years, with an administration in Washington ideologically in tune. While "usually on the same side of the barricades," there had been disagreements as on Iraq, although more often UDI supported the U.S. Larrian noted he had backed the U.S.-Chile FTA, even though he represented a rural, agricultural region. The Ambassador replied he wanted to maintain close relationships with all political parties, adding he had always admired the Chilean economic model for its successes and willingness to try new initiatives, as with its pension system.

Who Doesn't Want to Be President?

that Sebastian Pinera (RN's presidential candidate in 2005 reftel) was certainly the front running opposition option "but he is RN, not UDI." He nonetheless continued, and without a bit of irony, that the Alianza has done a good job in uniting and in providing a credible alternative to Concertacion. In the past, Larrian said, Alianza was fractured; now it was Concertacion plagued by internal frictions. UDI would put up a credible candidate in the 2009 presidential elections - perhaps Joaquin Lavin, who ran and lost in 2005, running third to Bachelet and Pinera - but would back Pinera if it came to it. (Comment: Larrian's lack of enthusiasm over that prospect was nearly tangible.) Larrian said UDI and the RN would be meeting shortly to discuss strategy for the late 2008 municipal elections, which would set the table for the 2009 presidential campaign. He added that the parties had already decided on how to apportion municipal slates.

15. (C) Larrain described the Concertacion situation as far more complex. He believed that the Democracia Cristiano (DC), the largest party within the governing coalition, would demand the presidential candidate nod after two straight Socialists (PS) at the head of the ticket (Lagos and Bachelet), very likely DC President Soledad Alvear. The PS will riposte that either former President Lagos or OAS SecGen Insulza are both stronger candidates than Alvear (Comment: True.), causing a rift with the DC running Alvear in the first round. Joining her would be the PS candidate, Pinera, Lavin, and then, possibly, two candidates representing breakaway Concertacion factions, headed by Fernando Flores and Adolfo Zaldivar. In addition to those six, the Communists would certainly run their own candidate, as they did in 2005 (although end up backing the eventual

Concertacion nominee).

Comment

16. (C) The scenario laid out by Larrian is possible, although there is more than a year to go for both Concertacion and Alianza to sort out their houses and test which way the wind blows. By the time 2009 rolls around, however, we expect that support will more probably coalesce around two or possibly three presidential candidates with a reasonable shot at winning. These include RN's Pinera, PS's Lagos or Insulza, and DC's Alvear. It is clear that inter- and intra-Concertacion party discipline is sorely lacking, a reflection on Bachelet's own weak links to party politics. And Larrian's lukewarm enthusiasm for Pinera underscores that Alianza is not as united as he suggests. Be it three candidates or seven, 2009 promises an entertaining campaign. End comment.